

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

DONALD C. FREDERICK and	:	Docket No. 1:08-cv-0288E
LOUISE M. FREDERICK, h/w,	:	
MICHAEL A. MAHLE and	:	
PAULA M. MAHLE, h/w, DONALD	:	
PORTA, and all other persons	:	
similarly situated,	:	CLASS ACTION
Plaintiffs	:	
vs.	:	
RANGE RESOURCES –	:	
APPALACHIA, LLC	:	
Defendant	:	

**NOTICE OF SUPPLEMENTAL AGREEMENT
AND STIPULATION OF SETTLEMENT**

**PLEASE READ THIS NOTICE CAREFULLY.
YOUR LEGAL RIGHTS MAY BE AFFECTED.**

INTRODUCTION

If you had or have an oil and gas lease with Range Resources-Appalachia, LLC (“Range”) under which your royalties are calculated pursuant to the class action settlement reached in the federal action titled *Frederick v. Range Resources-Appalachia, LLC*, No. 1:08-cv-00288E (Western District of Pennsylvania), this Notice advises you of the fact that the counsel representing the Class in the *Frederick* case has raised certain claims that Range breached the settlement agreement. Range disputes those claims. Nevertheless, Range and Class Counsel have reached a proposed settlement of those claims. The settlement is conditioned on approval by the federal court. The proposed settlement and your right to object to it are outlined below.

BACKGROUND

In 2008, a civil action was filed challenging Range’s calculation and payment of royalties under certain oil and gas leases in Pennsylvania. The Class was certified, and a class action settlement was reached and approved by the Court in 2011. In 2018, Class Counsel filed a motion to enforce the class action settlement, contending Range was in breach of the settlement agreement. Range denied all liability and contested the relief sought in the motion. Range and Class Counsel mediated the dispute, and have reached a proposed settlement on the terms set forth below.

PROPOSED SETTLEMENT

Under the proposed settlement, Range agrees to prospectively change its calculation of the post-production cost caps to an MCF basis, to include all firm transportation costs in the caps, and Range has agreed to pay to the Class \$12,000,000.00, which, after deduction of Class Counsel’s

fees and expenses, will be distributed pro rata to the individual class members by a method described below. The Class will release all claims that were or could have been raised in the motion to enforce up to the date of the final court order approving the settlement and the resolution of any appeals. This Notice provides only a summary of the settlement. The full proposed settlement agreement can be reviewed on-line at:

https://1drv.ms/b/s!ArUGvq2_0BsSj78DUfggPBrC0z6ICA

Range and Class Counsel believe that the proposed settlement should be approved by the Court because it is a reasonable compromise of all disputed claims. It provides a substantial payment to the Class and provides substantial future benefits to the Class.

HOW WILL CLASS COUNSEL FEES BE PAID

In accordance with the law governing class actions, Class Counsel will be compensated for attorney fees and costs incurred by him in prosecuting the Class claims from the settlement fund. His ordinary charges are not automatically paid, and the Court will decide how much is payable to him for his services to the Class. Class Counsel will request that the Court approve 20% of the settlement fund, which is the same percentage which was approved by the Court upon the original settlement of the case. If the request is approved the amount distributable to the members of the Class will be \$10,800,000.

HOW WILL SETTLEMENT PAYMENT BE DISTRIBUTED

The net settlement amount of \$10,800,000 will be distributed to Class Members who have been at any time paid for shale gas produced by Range pursuant to Class Leases. This will be based on total MCF volume of Class Member gas from March 2011 production period through the production period in which the settlement agreement is approved by the Court. These volumes will be derived from Range's revenue payment history files.

WHAT ARE YOUR RIGHTS?

The Court has scheduled a hearing for [date] at _____.m before District Judge Baxter to decide whether to approve the proposed settlement. The hearing will be held in Courtroom ____ of the U.S. Courthouse, 17 South Park Row, Erie, PA 16501. Class members are permitted, but not required, to file written objections to the proposed Supplemental Agreement with the Court. Any such objections must be filed no later than ten (10) days before the hearing. Only Class members who timely file objections may participate in the hearing. Any Class Members filing written objections may also participate in the hearing with or without an attorney. If you take no action and the Court approves the settlement, or if the Court approves the settlement over your objection, you will be bound by the settlement and will receive the settlement amount due under the settlement.

CONTACT INFORMATION

If you have questions, DO NOT CONTACT THE COURT. Questions should be directed to Class Counsel: Joseph E. Altomare, Esq., Address: 700 Rockwood Drive, Titusville, PA 16354; Phone: (814) 657-0350; Email: jaltomar@msn.com.